



NORTH CAROLINA GENERAL ASSEMBLY

Session 2019

Fiscal Analysis Memorandum

CONFIDENTIAL

Requestor: Representatives Howard, Setzer, and Szoka
Analyst(s): Jonathan Tart
RE: PCS to HB 852: Historic School Preservation Act

SUMMARY TABLE

FISCAL IMPACT OF H.B. 852, V.PCS (\$ in millions)

| | <u>FY 2019-20</u> | <u>FY 2020-21</u> | <u>FY 2021-22</u> | <u>FY 2022-23</u> | <u>FY 2023-24</u> |
|----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund Revenue | (1.0) | | - | - | - |
| Less Expenditures | - | - | - | - | - |
| General Fund Impact | (1.0) | - | - | - | - |

FISCAL IMPACT SUMMARY

The PCS to House Bill 852 would reduce revenue collections by providing a bonus historic rehabilitation tax credit amount for a certified historic structure that was initially used for educational purposes, and continues to be used for educational purposes after the rehabilitation.

FISCAL ANALYSIS

The bill provides a bonus credit amount of 5% of up to \$20 million in qualified expenses that meet the conditions. The analysis assumes that the revenue reduction would be approximately \$1 million in FY 19-20. However, the actual impact will be dependent on several unknown factors including how many projects might qualify for the credit, how large the projects might be, the amount of credit that might be claimed to reduce revenue collections, and whether or not the historic rehabilitation tax credit program is extended beyond the end of 2019.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCE

NC Department of Revenue

FISCAL ANALYSIS MEMORANDUM – PURPOSE AND LIMITATIONS

This document is a fiscal analysis of a bill, draft bill, amendment, committee substitute, or conference committee report that is confidential under Chapter 120 of the General Statutes. The



estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts. This document is not an official fiscal note. If a formal fiscal note is requested, please email your request to the Fiscal Research Division at FiscalNoteRequests@ncleg.net or call (919) 733-4910.

